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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 1.14.2010

Wall Street Journal: "Obama to Unveil Proposal on Bank Taxes ... President Barack Obama is expected Thursday to propose taxing large banks and other companies based on their exposure to risk, White House officials said."

Wall Street Journal: "Panel Rips Wall Street Titans ... Comparing Wall Street titans to shady car salesmen, a committee investigating the financial crisis grilled the nation's top bankers Wednesday in the latest example of Washington's smoldering anger at an industry many there feel hasn't atoned for its role in the slump."

Wall Street Journal: "SEC Proposes Banning 'Naked Access' ... The SEC proposed to ban a trading arrangement known as "naked access," in a move that could set back the fast-growing high-frequency trading industry."

Wall Street Journal: "Fed's Dudley Defends AIG Bailout ... The U.S. government, by preventing American International Group Inc. from going into bankruptcy, protected "all the counterparties of the firm," William Dudley, president of the Federal Reserve Bank of New York, said in an interview with the Public Broadcasting Service."

Wall Street Journal: "White House's Tax Proposal Targets Big Banks' Risks ... President Barack Obama plans Thursday to propose taxing large banks based on their exposure to risk as a way to recover taxpayer losses from the 2008 bailout of the financial sector, people familiar with the matter said."

Washington Post: "In Capitol Hill hearing, bankers remain torn on their role in crisis ... A year after the financial system nearly went over the brink, the congressional commission investigating the roots of the crisis confronted four of the world's most powerful bankers on Wednesday and challenged them to take more responsibility for their role in upending the global economy."

Washington Post: "Obama administration seeks tax hike on financial firms to recoup cost of bailout ... President Obama plans Thursday to propose a sharp increase in the taxes paid by the nation's largest financial institutions designed to raise \$90 billion over the next decade while constraining the industry's ability to take large risks and reap outsized rewards, a senior administration official said."

NY Times: "Obama's Bank Tax Seeks \$90 Billion to Repay Bailout ... President Obama plans to call on Thursday for taxing about 50 big banks and major financial institutions for at least the next decade to recoup all taxpayer losses from the bailout of Wall Street."

NY Times: "Few Burns for Four Bankers on the Hot Seat ... The four bankers of the apocalypse strode into the Congressional hearing room and formed a crooked line. They raised their hands haltingly, looking at one another as if to see whether the other guys were going to do it, too. It was one of the more indecisive swearings-in you will ever see on Capitol Hill."

NY Times: "U.S. Regions Show Gains and Softness, Fed Reports ... Little by little, regional economies in the United States are gaining strength, the Federal Reserve said Wednesday, though several pillars - housing, real estate and the jobs market - remain weak."

LA Times: "SEC names 6 to head new investigative units ... The Securities and Exchange Commission named six people Wednesday to lead new investigative units as the agency reorganizes its enforcement efforts."

USA Today: "SEC puts out call for inside information about fraud ... Burned by its failure to uncover Bernard Madoff's Ponzi scheme, the Securities and Exchange Commission Wednesday issued an invitation to informants who have inside information about financial frauds: Come on in."

USA Today: "House subpoenas Treasury Sec. Geithner's AIG e-mails, phone logs ... A House committee probing bailout deals has subpoenaed the Federal Reserve Bank of New York for correspondence from Treasury Secretary Timothy Geithner and other officials."

USA Today: "Our view on bankers' pay: Crisis? What crisis? Big bonuses return to Wall St. ... Remember the old television series Dallas, when the character Bobby Ewing's death was undone by having it rewritten as his wife's dream?"

USA Today: "Opposing view: Don't limit bankers' bonuses ... Limiting bankers' bonuses is the wrong answer to the real issue - that banks helped blow up the world in 2008 and then often earned large profits just one year after being rescued by taxpayers. Cutting bonuses just increases the banks' profits by reducing their expenses, helping bank shareholders, not taxpayers."

Washington Times: "EDITORIAL: Billions more for banking bailout ... The second banking bailout isn't getting the attention it deserves because Democrats don't want to talk about the disaster at Fannie Mae and Freddie Mac."

Politico: "W.H.'s 'financial crisis responsibility fee' ... President Barack Obama's budget will include a fee on approximately 50 of the nation's largest financial firms, collecting about \$90 billion over 10 years, the White House revealed Wednesday night. The fee aims to recoup losses suffered by taxpayers from the financial system bailout."

Politico: "Banking CEOs take their lumps ... Top executives from the nation's four biggest banks appeared contrite before the congressionally created Financial Crisis Inquiry Commission on Thursday - but don't look for any new expressions of shame."